

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF LOUISVILLE GAS &)	
ELECTRIC COMPANY AND KENTUCKY)	
UTILITIES COMPANY FOR CERTIFICATES OF)	
PUBLIC CONVENIENCE AND NECESSITY FOR)	CASE NO.
THE CONSTRUCTION OF A COMBINED)	2014-00002
CYCLE COMBUSTION TURBINE AT THE)	
GREEN RIVER GENERATING STATION AND A)	
SOLAR PHOTOVOLTAIC FACILITY AT THE)	
E.W. BROWN GENERATING STATION)	

ORDER

On April 30, 2014, Louisville Gas and Electric Company and Kentucky Utilities Company (collectively "Applicants") filed a motion requesting that the current procedural schedule be held in abeyance for a period of up to 90 days. In support of their motion, Applicants state that on April 21, 2014, Kentucky Utilities Company ("KU") received Notices of Termination from the following nine municipal wholesale customers: (1) Frankfort Electric & Water Plant Board; (2) Madisonville Municipal Utilities; (3) Corbin City Utilities Commission; (4) City of Berea Municipal Utilities; (5) Bardwell City Utilities; (6) Falmouth City Utilities; (7) Barbourville Utility Commission; (8) Providence Municipal Utilities; and (9) City of Paris Combined Utilities.¹ Noting that these nine municipal wholesale customers account for over 300 megawatts ("MW") of customer demand and that the Applicants' Joint Load Forecast, which was submitted in support of the need of the natural gas combined-cycle and solar facilities proposed in the application, includes

¹ KU serves 12 municipal wholesale customers. The three municipal wholesale customers served by KU which are not listed above are Bardstown Municipal Light & Water, Benham Electric System, and Nicholasville City Utilities. The wholesale contract with the Benham Electric System (approximately 2-MW) is scheduled to terminate in August 2016.

customer demand from all of KU's municipal wholesale customers, Applicants state that the requested abeyance period would allow them to analyze the impact of the potential departure of the nine municipal wholesale customers on the need of the facilities proposed in this matter. Applicants further assert that holding the case in abeyance would allow them time to address the Notices of Termination in proceedings currently pending before the Federal Energy Regulatory Commission ("FERC"). Lastly, Applicants request an informal conference be held at the conclusion of the abeyance period which would permit Applicants to provide a report on the status of the nine municipal customers and the related FERC cases.

The intervenors to this proceeding, the Attorney General ("AG"), Kentucky Industrial Utility Customers, Inc. ("KIUC"), and Wallace McMullen and Sierra Club (collectively "Sierra Club"), have indicated by e-mail that they will not be filing a response to the Companies' motion. The AG and KIUC state that they support the motion. Sierra Club states that it does not oppose the motion. A copy of the e-mails sent by the intervenors is attached to the appendix to this Order.

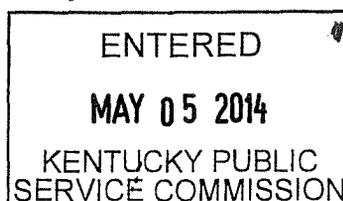
Having reviewed the pleading and being otherwise sufficiently advised, the Commission finds that Applicants have established good cause to have the current procedural schedule established by our February 6, 2014 Order be held in abeyance for a period of 90 days from the date of this Order. The Commission notes that pursuant to an Order issued on March 7, 2014, a formal evidentiary hearing was scheduled to be held on July 8, 2014. Because we are granting Applicants' request to have the procedural schedule be placed in abeyance, and because the hearing date falls within the 90-day abeyance period, the Commission finds that the hearing scheduled for July

8, 2014 will need to be cancelled and rescheduled, if necessary, after the conclusion of the abeyance period.

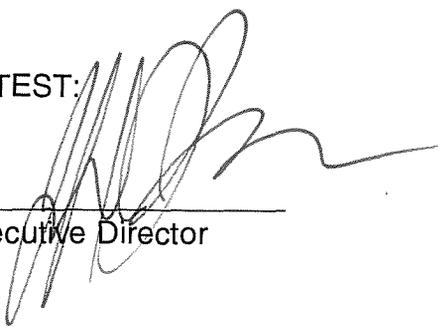
IT IS THEREFORE ORDERED that:

1. Applicants' Motion to Hold Procedural Schedule in Abeyance is granted.
2. The current procedural schedule as established by the February 6, 2014 Order shall be held in abeyance for a period of 90 days from the date of this Order.
3. The hearing scheduled to begin on July 8, 2014, pursuant to the March 7, 2014 Order, shall be cancelled and rescheduled, if necessary, after the conclusion of the abeyance period.
4. An informal conference shall be scheduled on Thursday, August 7, 2014, at 11:00 a.m. Eastern Daylight Time, in Conference Room 2 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.

By the Commission



ATTEST:



Executive Director

Case No. 2014-00002

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00002 DATED **MAY 05 2014**

Nguyen, Quang D (PSC)

From: Cook, Larry (KYOAG) <larry.cook@ag.ky.gov>
Sent: Friday, May 02, 2014 9:28 AM
To: Michael Kurtz; Nguyen, Quang D (PSC); Ingram III, Lindsey
Cc: Allyson.Sturgeon@lge-ku.com; Watt, Robert; Rick.Lovekamp@lge-ku.com; Kurt Boehm; Jody Kyler Cohn; Howard, Dennis (KYOAG); Dutton, Gregory (KYOAG); Goad, Angela (KYOAG); childerslaw81@gmail.com; jtauber@earthjustice.org; laurie.williams@sierraclub.org; mgerhart@earthjustice.org; Riggs, Kendrick R.
Subject: RE: Case No. 2014-00002

Quang and Counsel,

The Attorney General also supports the motion. However, we would also like to see the companies schedule an informal conference as soon as they are prepared to proceed with this case, for the purposes of discussing whether additional discovery may be needed (as was indicated in the companies' motion), and to discuss new dates for remaining events in a revised procedural schedule. Thank you.

Yours,
Larry Cook
Assistant Attorney General

-----Original Message-----

From: Michael Kurtz [mailto:MKurtz@bkllawfirm.com]
Sent: Fri 5/2/2014 9:06 AM
To: Nguyen, Quang D (PSC); 'Ingram III, Lindsey'
Cc: Sturgeon, Allyson (Allyson.Sturgeon@lge-ku.com); Watt, Robert; Lovekamp, Rick (Rick.Lovekamp@lge-ku.com); Kurt Boehm; Jody Kyler Cohn; Howard, Dennis (KYOAG); Cook, Larry (KYOAG); Dutton, Gregory (KYOAG); Goad, Angela (KYOAG); Childers, Joe (childerslaw81@gmail.com); Jill Tauber (jtauber@earthjustice.org); Laurie Williams (laurie.williams@sierraclub.org); Matthew Gerhart (mgerhart@earthjustice.org); Riggs, Kendrick R.
Subject: RE: Case No. 2014-00002

Quang.

KIUC supports the motion.

Michael L. Kurtz, Esq.
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36 E. Seventh St., Suite 1510
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Ph: 513.421.2255 Fax: 513.421.2764
E-mail: mkurtz@BKLLawfirm.com

From: Nguyen, Quang D (PSC) [mailto:QuangD.Nguyen@ky.gov]
Sent: Friday, May 02, 2014 9:00 AM
To: 'Ingram III, Lindsey'
Cc: Sturgeon, Allyson (Allyson.Sturgeon@lge-ku.com); Watt, Robert; Lovekamp, Rick (Rick.Lovekamp@lge-ku.com); Michael Kurtz; Kurt Boehm; Jody Kyler Cohn; Howard, Dennis (KYOAG); Cook, Larry (KYOAG); Dutton, Gregory (KYOAG);

Goad, Angela (KYOAG); Childers, Joe (childerslaw81@gmail.com); Jill Tauber (jtauber@earthjustice.org); Laurie Williams (laurie.williams@sierraclub.org); Matthew Gerhart (mgerhart@earthjustice.org); Riggs, Kendrick R.

Subject: RE: Case No. 2014-00002

Counsel -

In order to more efficiently address LG&E/KU's abeyance motion, could the intervenors please advise whether they plan on filing any response to the abeyance request? Thanks.

Quang

From: Ingram III, Lindsey [mailto:L.Ingram@skofirm.com]

Sent: Thursday, May 01, 2014 11:18 AM

To: Nguyen, Quang D (PSC)

Cc: Sturgeon, Allyson (Allyson.Sturgeon@lge-ku.com<mailto:Allyson.Sturgeon@lge-ku.com>); Watt, Robert; Lovekamp, Rick (Rick.Lovekamp@lge-ku.com<mailto:Rick.Lovekamp@lge-ku.com>); Michael Kurtz

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(mgerhart@earthjustice.org<mailto:mgerhart@earthjustice.org>); Riggs, Kendrick R.

Subject: RE: Case No. 2014-00002

Quang:

We recognize the Companies' Motion for Abeyance was filed less than 24 hours ago, but given the looming deadlines in the procedural schedule (intervenor testimony being due one week from today), we're curious to know if you can share any information regarding when the Commission might rule on the Motion for Abeyance. Of course, I cannot speak for any intervenor as to whether the motion will be opposed, but I can assure you the Companies have no interest in any intervenor spending any resources unnecessarily to comply with the procedural schedule in light of the Motion for Abeyance. To that end, we would appreciate any information you can provide. Thank you.

Lindsey W. Ingram III

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859-221-0997 (cell)

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L.ingram@skofirm.com<mailto:L.ingram@skofirm.com>

From: Riggs, Kendrick R.

Sent: Friday, April 25, 2014 4:53 PM

To: 'Nguyen, Quang D (PSC)'

Cc: Sturgeon, Allyson (Allyson.Sturgeon@lge-ku.com<mailto:Allyson.Sturgeon@lge-ku.com>); Watt, Robert; Lovekamp, Rick (Rick.Lovekamp@lge-ku.com<mailto:Rick.Lovekamp@lge-ku.com>); Michael Kurtz (mkurtz@bklawfirm.com<mailto:mkurtz@bklawfirm.com>); Kurt Boehm (kboehm@BKLawfirm.com<mailto:kboehm@BKLawfirm.com>); Jody Kyler Cohn (jkylercohn@BKLawfirm.com<mailto:jkylercohn@BKLawfirm.com>); Howard, Dennis (KYOAG); Cook, Larry (KYOAG); Dutton, Gregory (KYOAG); Goad, Angela (KYOAG); Childers, Joe (childerslaw81@gmail.com<mailto:childerslaw81@gmail.com>); Jill Tauber (jtauber@earthjustice.org<mailto:jtauber@earthjustice.org>); Laurie Williams (laurie.williams@sierraclub.org<mailto:laurie.williams@sierraclub.org>); Matthew Gerhart (mgerhart@earthjustice.org<mailto:mgerhart@earthjustice.org>); Ingram III, Lindsey
Subject: RE: Case No. 2014-00002

Dear Counsel

I am writing to advise that LG&E and KU will be filing a motion next week in this case to request the Commission hold the proceeding in abeyance for approximately 90 days due to the receipt of the notices of termination from some of KU wholesale municipal customers earlier this week.

Kendrick R. Riggs
Stoll Keenon Ogden PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202
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Nguyen, Quang D (PSC)

From: Joe Childers <childerslaw81@gmail.com>
Sent: Friday, May 02, 2014 10:16 AM
To: Nguyen, Quang D (PSC)
Cc: Ingram III, Lindsey; Sturgeon, Allyson (Allyson.Sturgeon@lge-ku.com); Watt, Robert; Lovekamp, Rick (Rick.Lovekamp@lge-ku.com); Michael Kurtz (mkurtz@bkllawfirm.com); Kurt Boehm (kboehm@BKLawfirm.com); Jody Kyler Cohn (jkylercohn@BKLawfirm.com); Howard, Dennis (KYOAG); Cook, Larry (KYOAG); Dutton, Gregory (KYOAG); Goad, Angela (KYOAG); Jill Tauber (jtauber@earthjustice.org); Laurie Williams (laurie.williams@sierraclub.org); Matthew Gerhart (mgerhart@earthjustice.org); Riggs, Kendrick R.
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Quang,

The Sierra Club does not oppose the motion and will not be filing a response.

Joe Childers

On Fri, May 2, 2014 at 9:00 AM, Nguyen, Quang D (PSC) <QuangD.Nguyen@ky.gov> wrote:

Counsel –

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